

MONTGOMERY COUNTY
HEALTH REIMBURSEMENT ARRANGEMENT (HRA/HSA) POLICY

Italicized wording represents additions to this policy effective 7/1/2011:

- **Eligibility:** The employee must be eligible for health insurance benefits in order to have an HRA. This includes full and part-time classified employees working an average of 20 hours or more. *Employees enrolled in a QHDP will have an HSA account.*
- **Vesting:** 5 years of combined County service. All past County service will be considered for current employees.
- **HRA Rollover:**
 - **Active** employee balances roll over from year to year.
 - **Upon Separation** – resignation, dismissal (after County probationary period). *Remaining Balances (in excess of \$500) must be rolled over to the ICMA-RC Retiree Health Savings (RHS) Account.*
 - 1) *FSA Funds – Election of COBRA would allow continued use of remaining funds for expenses incurred after date of separation through the end of the plan year. Funds are not eligible for rollover.*
 - 2) *HRA Funds – Percentage of remaining funds would be available to use for expenses incurred prior to date of separation, and payment of health premiums through COBRA election.*
 - Less than 5 years of combined County service – **25%**
 - 5-14 years – **50%**
 - 15 or more years – **75%**
 - **Upon Retirement** with the Virginia Retirement System (at time of or within 365 days from the end of the plan year) - 100%
 - Less than 5 years of combined County service – **25%**
- **Fund Particulars:**
 - Monies are prefunded (available in full to enrollee at the beginning of the plan year).
 - \$25,000 cap
 - Eligibility to draw upon funds for medical purposes begins immediately upon separation from the County.
 - Funds are to be used for all eligible Section 213(d) expenses (same as allowed under FSA Account).
 - Funds may **not** be used for premiums, other than Retiree, COBRA and LTC premiums.
 - \$25.00 annual fee charged quarterly to participants (\$6.25).
- **HRA/FSA Debit Card:** County pays for (\$1.00/month; second card free to spouse)
- **HSA Fulton Bank Debit Card:** Employee pays (\$2.00/month)
- **Administrative Fees:** 0
 - Employees will pay (per account) for elected FSA fees (DC, Medical - \$3.75/month)
 - County will pay for HRA Administration fees (\$3.00/month)
 - County will pay HSA Administration fees (\$36 annual; \$10 Set Up) for **active** employees.
- **Death in Service:** If employee dies in service, remaining assets will be transferred to an account for continued tax-free use by surviving spouse and/or dependents *to use for eligible medical expenses.*
- **Claims Submission:** *Processed Weekly as of 7/1/09*
 - Active HRA/limited HRA enrollees would have 365 days from the end of the plan year to submit *paper* claims (incurred before the end of the plan year) and receive reimbursement.
 - Active FSA/Limited FSA enrollees will have 90 days after the end of the plan year to submit *paper* claims (incurred before the end of the plan year) to receive reimbursement.
 - Upon Separation, FSA/Limited FSA enrollees will have 90 days after the plan year ends to submit *paper* claims for reimbursement (incurred **prior** to his/her separation date).
 - Upon Separation, HRA/Limited HRA enrollees will have 365 days after the plan year ends to submit *paper* claims for reimbursement (incurred **prior** to his/her separation date).
 - **FSA Participants only:** Use of your MBI Debit Card to pay for **prior** plan year expenses is **not** allowed once the new plan year begins (July 1). A *paper* reimbursement claim form is **required** to pay for **prior** plan year expenses. Once the new plan year begins, your debit card pull funds from the Current plan year only.